

CAROLYN MCCARTHY
4TH DISTRICT, NEW YORK

WASHINGTON OFFICE:
2346 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5516
FAX: (202) 225-5758

DISTRICT OFFICE:
300 GARDEN CITY PLAZA, SUITE 200
GARDEN CITY, NY 11530
(516) 739-3008
FAX: (516) 739-2973



CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-3204

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E-MAIL:
<http://www.house.gov/writerep/>
WEBSITE:
<http://carolynmccarthy.house.gov>

December 16, 2009

Chairman Julius Genachowski
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

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Dear Chairman Genachowski:

I am writing to express my deep concerns about the apparent deterioration of the process for negotiating retransmission consent agreements between broadcast stations and video distributors. Press reports indicate that a significant number of agreements between broadcasters and cable operators expire at the end of this month, and aggressive demands for cash compensation are making the completion of deals difficult. If deals are not reached, it is consumers – my constituents – who will lose access to free over-the-air programming including local news, sports and weather programming.

I understand that a complaint proceeding involving Mediacom Communications Corp. and Sinclair Broadcast Group is pending before the Commission, and several additional parties have raised concerns in connection with that proceeding. While I am not writing to express a position on the merits of that particular dispute, I am troubled by allegations that parent companies may be interfering with negotiations that Congress intended to be conducted by independent affiliates of the network. Independent affiliate groups should be able to negotiate terms without pressure from parent companies.

The Communications Act and the Commission's rules require broadcast stations to negotiate *in their own right* for retransmission consent—and for good reason. Maintaining separation between the national networks and their local affiliates is vital to preserving competition, localism, and a diversity of viewpoints. Parent companies should not be dictating the terms of independent affiliates' retransmission consent agreements, it would circumvent the national cap on audience reach, which was designed to prevent just this sort of consolidation. In turn, stations that cede their core rights to the national network violate their own duty to negotiate in good faith and risk transferring control of their licenses without authorization.

Given the seriousness of these allegations, including the significant threat that millions of consumers could be left without access to free over-the-air broadcast programming as existing agreements expire on December 31, I urge you to take whatever steps are necessary to protect



the viewing audience as the Commission investigates these matters. In particular, the Commission should consider ordering carriage on an interim basis and should pursue alternative dispute resolution options, including using arbitration and other procedures to ensure reasonable rates.

I thank you for your attention to these issues and would appreciate a response describing the actions you intend to take to protect the public.

Sincerely,

A handwritten signature in blue ink that reads "Carolyn Mc Carthy". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Carolyn McCarthy
Member of Congress



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

March 2, 2010

The Honorable Carolyn McCarthy
U.S. House of Representatives
2346 Rayburn House Office Building
Washington, D.C. 20515

Dear Congresswoman McCarthy:

Thank you for your letter concerning recent retransmission negotiations between television broadcasters and multichannel video programming distributors ("MVPDs"), such as cable operators and satellite television providers.

I welcomed the announcement on January 7, 2010, that Sinclair Broadcast Group, Inc., and Mediacom Communications Corporation had reached a retransmission consent agreement governing the carriage of local broadcast television stations owned or operated by Sinclair. The one-year agreement provided that Mediacom would withdraw the retransmission consent complaint that it had filed with the Commission, which now has occurred. Similarly, Time Warner Cable and Fox – also facing a year-end deadline – were able to conclude a retransmission consent agreement without any disruption of service to consumers.

The record compiled in the Mediacom/Sinclair proceeding had included a number of pleadings discussing a range of additional matters related to the negotiation of retransmission consent agreements, including those that you note in your letter. As provided for in the Sinclair/Mediacom agreement, Mediacom's complaint with the Commission has been dismissed. Nevertheless, the Commission remains concerned about the process for conducting and resolving retransmission consent negotiations, including impacts on viewers. The Communications Act and the Commission's regulations require that both television broadcasters and multichannel video programming distributors (MVPDs) negotiate the terms and conditions of carriage in "good faith." We will monitor future such negotiations and respond appropriately in the event of a complaint filed with the Commission. Additionally, parties are welcome to submit comments in the Commission's 2010 Media Ownership Quadrennial Review on the effect of ownership arrangements on these matters.

I appreciate the opportunity to learn of your concerns about this important matter. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Julius Genachowski